COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF DELTA)	CASE NO. 99-176-L
NATURAL GAS COMPANY, INC.	j	

ORDER

On December 27, 1999, in Case No. 99-176, the Commission approved rates for Delta Natural Gas Company, Inc. (Delta) and provided for their further adjustment in accordance with Delta s gas cost adjustment (GCA) clause.

On December 20, 2001, Delta filed its GCA to be effective February 1, 2002.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

- 1. Delta's notice includes revised rates designed to pass on to its customers its expected increase in wholesale gas costs. Delta's expected gas cost (EGC) is \$4.0971 per Mcf, which is .09 cent per Mcf more than the previous EGC of \$4.0962.
- 2. Delta s notice sets out no current refund adjustment (RA). Delta s notice sets out a total RA of .56 cent per Mcf. The RA carried forward from prior periods should have been (.56) cent per Mcf. Correcting for this error results in a total RA of (.56) cent per Mcf which is .93 cent per Mcf more than the previous total RA.
- 3. Delta's notice sets out a current quarter actual adjustment (AA) of 9.83 cents per Mcf. The total AA of \$1.2513 is 5.06 cents per Mcf less than the previous total AA.

4. Delta's notice sets out a balance adjustment (BA) of (2.86) cents per

Mcf, which is 13.76 cents per Mcf less than the previous BA.

5. Delta s GCA is \$5.3142 per Mcf, which is 17.8 cents per Mcf less than the

previous GCA of \$5.4922.

6. The rates in the Appendix to this Order are fair, just, and reasonable, in

the public interest, and should be approved for final meter readings by Delta on and

after February 1, 2002.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for final meter

readings on and after February 1, 2002.

2. Within 20 days of the date of this Order, Delta shall file with this

Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 23rd day of January, 2002.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-176-L DATED January 23, 2002

The following rates and charges are prescribed for the customers in the area served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATE SCHEDULES

<u>AVAILABILITY</u>

Available for general use by residential, commercial, and industrial customers.

RATES

		Base Rate	Gas Cos Recovery <u>Rate</u> plus	/	⁻ otal Rate
Residential					
Monthly Serv All Mcf	ice Charge	\$ 8.00 \$3.6224	\$5.3142	\$	8.9366
Small Non-Resident	ial				
Monthly Serv	ice Charge	\$ 17.00			
First 200	Mcf	3.6224	5.3142	\$	8.9366
Next 800	Mcf	2.4000	5.3142		7.7142
Over 1,000	Mcf	2.0495	5.3142		7.3637
Large Non-Resident	tial				
Monthly Serv	ice Charge	\$ 50.00			
First 200	Mcf	\$ 3.6224	\$ 5.3142	\$	8.9366
Next 800	Mcf	2.0063	5.3142		7.3205
Next 4,000	Mcf	1.3190	5.3142		6.6332
Next 5,000	Mcf	.9190	5.3142		6.2332
Over 10,000	Mcf	.7190	5.3142		6.0332

Interruptible

Monthly Service Cha	arge \$ 250.00		
First 1,000 Mcf	\$ 1.6000	\$5.3142	\$ 6.9142
Next 4,000 Mcf	1.2000	5.3142	6.5142
Next 5,000 Mcf	.8000	5.3142	6.1142